
By: **Delegates Costa, Benson, Boschert, Bozman, V. Clagett, Donoghue,
Dwyer, Elmore, Frush, Gordon, Leopold, Love, McConkey, McMillan,
Menes, Moe, Murray, Myers, Oaks, Rzepkowski, Smigiel, Sophocleus,
Sossi, Weir, and Weldon**

Introduced and read first time: January 30, 2003

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax - Income Tax Credit for Low Income Senior Citizens**

3 FOR the purpose of allowing individuals who are at least 65 years old and eligible for
4 the Senior Prescription Drug Program to claim a credit against the State income
5 tax in a certain amount in certain taxable years; defining a certain term;
6 providing for the application of this Act; and generally relating to a credit
7 against the State income tax for individuals who are at least 65 years old and
8 eligible for the Senior Prescription Drug Program.

9 BY adding to

10 Article - Tax - General

11 Section 10-725

12 Annotated Code of Maryland

13 (1997 Replacement Volume and 2002 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Tax - General**

17 10-725.

18 (A) IN THIS SECTION, "ELIGIBLE INDIVIDUAL" MEANS AN INDIVIDUAL WHO IS
19 AT LEAST 65 YEARS OLD AND ELIGIBLE FOR THE SENIOR PRESCRIPTION DRUG
20 PROGRAM ESTABLISHED UNDER TITLE 14 OF THE INSURANCE ARTICLE.

21 (B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, AN ELIGIBLE
22 INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR A TAXABLE
23 YEAR AS PROVIDED IN THIS SECTION.

24 (C) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION
25 MAY NOT EXCEED THE LESSER OF:

HOUSE BILL 251

1 (1) (I) \$250 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
2 2002 BUT BEFORE JANUARY 1, 2004;

3 (II) \$500 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
4 2003 BUT BEFORE JANUARY 1, 2005;

5 (III) \$750 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
6 2004 BUT BEFORE JANUARY 1, 2006; AND

7 (IV) \$1,000 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31,
8 2005; OR

9 (2) THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR
10 CALCULATED BEFORE THE APPLICATION OF CREDITS ALLOWED UNDER THIS
11 SECTION AND UNDER §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE
12 APPLICATION OF ANY OTHER CREDIT ALLOWED UNDER THIS SUBTITLE.

13 (D) THE UNUSED AMOUNT OF THE CREDIT MAY NOT BE CARRIED OVER TO
14 ANY OTHER TAXABLE YEAR.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
16 effect July 1, 2003 and shall be applicable to all taxable years beginning after
17 December 31, 2002.